

**Idaho Travel Council  
January 15, 2008  
Boise, Idaho**

**MINUTES**

**Council Members Present**

J.J. Jaeger, Region I  
Frances Conklin, Region II  
John May, Region III  
John Webster, Region IV, Chair  
Bill Code, Region V  
Tadd Jenkins, Region VI  
Brent Gillette, Region VII, Vice-Chair  
Bill Reagan, Member At-Large

**Guests Present**

Bill Drake, drake/cooper  
Jeremy Chase, drake/cooper

**Commerce Staff Present**

Jim Ellick, Director  
Karen Ballard, Tourism Administrator  
Kellie Reed, Tourism  
Cathy Bournier, Tourism  
Tina Caviness, Tourism  
Peg Owens, Tourism  
Kathleen Haase, Tourism  
Diane Norton  
Nancy Richardson

**Tuesday, January 15, 2008**

Idaho Travel Council members met jointly with Economic Advisory Council members during the morning.

Chairman John Webster called the meeting to order, followed by welcome and introductions. He welcomed Commerce Director Jim Ellick to his first travel council meeting. Ellick reported to the council that drake/cooper has been selected to represent all advertising accounts for the department. An RFP was issued in early August, with oral presentations in December. John Webster represented the council on the review panel.

**Motion** – It was moved (Reagan) and seconded (Jenkins) to approve the minutes of the September 27 & 28, 2007 meeting. Motion passed.

**Tourism Administrator Report** – Karen Ballard updated the council on tourism staff activities. Ballard told the council that she sees the division's role as one of a sales team prepared to go out and contribute to Idaho's economic development. She reported that Mitch Knothe is covering a Scandinavian mission and attending a National Tour Association board meeting in Portland. She said a team approach to marketing the department has been suggested, with a public relations team headed up by Bibiana Nertney. Joann Taylor, drake/cooper, will provide staff training on how to pitch better.

Ballard introduced Diane Norton and Nancy Richardson to the council. Norton fills a Tourism Analyst position designed to assist stretched tourism specialists and Nancy Richardson fills the International Tourism Specialist created when Ballard was promoted to the Administrator position.

Mitch Knothe will continue to lead Idaho's sports and winter programs. Ballard said with Idaho's involvement in the 2010 Games, this is a big task. She said Knothe is well thought of by the industry, particularly for his efforts in 2002 attracting so many Olympic teams to train in Idaho. Ballard said although the Special Olympics are important to Idaho, she doesn't see it as a state tourism project. Jim Ellick told the council that no tourism dollars will be directed toward the Special Olympics.

Ballard reviewed the current budget with the council. She said she is working with Drake/Cooper staff and the department's fiscal staff to make the budget more transparent, and she should have a clearer report to present at the March meeting. Ballard asked council members to let her know if there are any new items they may want to include in future budgets.

The council discussed funding the Idaho RV/Campground Association out of the state budget instead of through the grant program. Ballard told the council that tourism staff currently performs much of the work of the association since Anne Chambers is only part time. Unfortunately, only 15% of Idaho campground owners are members of the association. Ballard told the council that she would be willing to send out a membership recruiting letter with a strong endorsement of the association and perhaps membership fees could be lowered or prorated for those parks that are only open part of the year. Bill Reagan suggested forming a focus group, led by former council member and marketing manager for Silverwood Theme Park, to research Idaho's RV/campground and find how the state and council can best assist that segment of Idaho's economy. Ballard asked the council to give the program some thought for discussion at the March meeting.

**Motion** – It was moved (Reagan) and seconded (Code) to accept the financial statement as presented. Motion passed.

**Grant Program Discussion** – Karen Ballard told the council that it has been suggested that presentations requesting grant funds be made at the May council meeting during the Governor's Conference on Recreation and Tourism (GCORT). This would allow the council time before the July meeting to discuss the requests and further explore issues that may be associated with some of the requests. GCORT attendance would also be boosted. After discussion, the council agreed that this is something worth trying. John May suggested adding an extra day to the May council meeting because it is critical that all council members hear each and every grant presentation in order to be prepared to act upon at the July meeting.

Cathy Bourner told the council that instead of having grantees submit elements to their requests, a marketing plan would be submitted and funded. This would eliminate much of the need of Bourner to micromanage that grantees are operating within all rules and regulations. Karen Ballard said she would like to explore the possibility of allowing grantees, in good standing, the ability to accept tourism grant funds without all the red tape that is currently attached. Grantees would still be required to be fiscally responsible and withstand independent audits. Bill Reagan said he feels it is critical for the council to have some control over elements to the grants.

The council shared concerns they have received from grantees about the lag time in waiting for approvals. Cathy Bourner said she finds herself having to make arbitrary decisions at time

become some of the policies are not written down or clear. John May said that if it's not written down, it's not policy and encouraged Bourner to identify problems, make a list and discuss them with the department's financial staff. If it can't be clarified at that point, he urged Bourner to bring the items before the council for discussion and resolution. After further discussion, the council agreed that rules and regulations continue to be a problem. It was agreed that staff would prepare a working document, review it with grantees at the February 13 Grant Summit, and send it to the council for their review in order to take action on it at the March council meeting. John May strongly encouraged Bourner to let council members know of problems in their regions.

**Tourism Leads** – Peg Owens and Marsha Stearns from All West, the tourism fulfillment house, led a discussion with the council about selling tourism leads and what the costs should be. Stearns said the only sale has been to the Sun Valley Chamber of Commerce. All council members agree that there should be a cost associated. The council directed staff to determine guidelines, with minimum purchase fees and instructions on the appropriate use of the leads and present that information to the council at the March meeting so they can act upon it. A press release, as well as a link on the tourism industry newsletter, will publicize the program. The council also asked that Stearns present a workshop at the Governor's Conference on the leads purchase program.

### **Wednesday, January 16, 2008**

Meeting called to order by Chairman Webster, followed by introductions.

**International Marketing Survey** – At the September, 2007, meeting, the council discussed allocating \$20,000 for a study, conducted by Lorraine Roach, to determine if services provided by Rocky Mountain International (RMI) provide a good return on investment. The council also requested that a representative from RMI be invited to the March meeting to provide an overview of what they do for Idaho.

Karen Ballard asked the council for specifics about what they want to see from a study. John May said that the cost to participate in RMI continues to go up and up and the council would like RMI to tell them the benefits of membership. Bill Reagan said the council wants to know what is really driving international visitation to Idaho – not just merely see numbers of those coming through Yellowstone. He is frustrated that we're not doing more in Canada since the dollar has appreciated and geographically it's so close. He feels perhaps the international program is more of an economic development tool, citing the example that a Travel Guide Lite printed in Chinese is not the best course to go. John May said the last RMI contract is forcing participation in markets Idaho hasn't been in before. Ballard said she recognizes that more needs to be done in Canada. Reagan said that no doubt, RMI provides the best bang for the buck, but he questions spending so much on an international program. Brent Gillette said he is excited to see more international travel but would like to be able to identify where the travelers are coming from. Ballard said RMI is in the U.K. and German markets because of sheer volume. The French market is coming along strong with exciting news from Air France of direct Paris to Seattle flights. The Italian market is coming along and Ballard said we've made such an investment in that market, she would hate to pull out of it now. If the council chooses to pull back from Scandinavia, she is fine with that because a huge investment hasn't been made yet. Ballard fully supports Idaho's participation in RMI and would hate to see the partnership lost.

She suggested having each member accompany staff to one international trade show during their term to see what is going on out in the field and get a better idea on how tourism dollars are leveraged.

The council discussed ways of gathering information and data, including surveying grantees and requiring basic reporting and feedback to the council. Bill Reagan suggested inviting one grantee to council meetings to report back on their programs.

The council decided that the \$20,000 directed to international research at the September meeting should be saved and directed Ballard to explore other research tools. They also expressed their desire to continue with the RMI relationship but did request that an RMI representative provide an overview of the program at the March meeting.

**Advertising Agency Update** - drake/cooper staff updated the council on the following projects:

2008 Travel Guide – Costs increased this year due to lower sales revenues. The council discussed the possibility of producing the guide every two years instead of annually. Chairman Webster instructed drake/cooper staff to explore this option and report back to the council in July. 200,000 copies were printed last year as well as this year. This year's net cost to ITC is \$212,852.

Winter Marketing Update:

Free Standing Inserts (FSI) - Over 281,000 FSIs were dropped 11/15/07 in Seattle, Spokane, Portland, Salt Lake City and Boise. 3,000 copies will be available for fulfillment. Karen Ballard expressed her concern over the odd-size of the FSI that makes it impossible to mail as an individual fulfillment piece. The FSI came in at a cost of \$69,578.24.

Winter Online – Search engines include Google and Overture with content sites at Accuweather, OnTheSnow, Yahoo, BELO. The Idaho Ski Areas Association is partnering with a ski newsletter, snow conditions, and lead generation and fulfillment to all Idaho ski areas.

Ski Press Magazine Co-op – ITC and ISAA split the \$35,000 cost for the January 2008 107,000 additional FSI circulation to western ski areas and ski pro shops. Additional FSI distribution will be made to: Door to Door Ski Rentals in Ketchum, Pro Peak Sports in Donnelly, McU Sports, News & Harold's, Skiers Edge, Inland Surf Co., in Boise, and the Spokane International Airport. Last year's FSI resulted in a 30% increase in daily unique visitor counts for 11/15/07 and 1,560 additional FSI inquiries. The online ski campaign for FY08 resulted in 3,231 clicks to visitidaho.org/winter, and 1,876 post click activities.

Snowmobile Program – Programs consists of a tri-state co-op program with Montana and Wyoming, and an in-state co-op program with ITC grantees. The tri-state co-op program resulted in 5,980 contest sign-ups from 11/1/07 to date, with 3,127 clicks to sledtherockies.com. The in-state co-op program generated 7,591 leads with 5,063 unique visitors to partner webpages.

FY08 Winter Marketing Budget –

Newspaper FSI	\$ 69,578.24
Ski/Snowboard Online	\$147,260.00
Snowmobile Marketing	\$ 58,000.00
Total	\$274,838.24

FY08 Prime Season Update – April thru October with focused effort to the 11 western states and markets, family travelers, boomers, niche (golf, RV, adventurers) with two key objectives of building image and generating inquiries. The cohesive programs consists of magazine, online and FSI.

2008 Summer FSI – In-state and regional travel planning piece distributed mid-May to all Idaho major dailies, Seattle, Spokane, and Salt Lake City. Up to 500,000 printed, 16 pages, four color. Madden Media will develop, edit and produce the FSI this year, instead of drake/cooper, with a blend of advertorial and advertising. FSIs were scheduled to drop Sunday, May 18. The council directed drake/cooper to plan for a May 4, 2008 drop. Value added bonus circulation to regional AAA offices; microsite on vacationfun.com; sweepstakes/incentive management, e-mail push correlated with drop, compete reader response and analysis for individual advertisers and a post-drop conversion study and segmentation analysis. The council felt that the quality of the FSI is a downgrade from past FSIs but decided the trade-off of receiving the value added elements would be worth the poorer quality insert. Drake/cooper staff will present the FSI opportunity at the grant summit. Chairman Webster urged drake/cooper staff to work closely with Madden Media to ensure Idaho's smaller communities are not overlooked in the process.

2008 Magazine Campaign – Program designed to build image and provide inspiration and generate inquiries for printed/electronic Idaho travel information. Magazines targeted to reach families, boomers, and niche markets for a total cost of \$660,079 for 47 inserts.

Drake/cooper staff presented the creative for the ads to the council, along with a coordinated design for the Web site. Council members made a variety of suggestions to drake/cooper about photo selections, model choices and messages to drake/cooper and said, in general, they were pleased with the ads.

Chairman Webster thanked drake/cooper for their presentation.

#### Open Discussion

Spending Authority Clarification – Lisa Robbins, Department of Commerce Fiscal Officer, clarified spending authority to the council. Each month 2% tax revenues, less an administrative charge to the Tax Commission, are deposited into an account and balances (cash) carried forward. When speaking to their legislators, Robbins urged council members to ask that the spending authority be brought up to what the growth has been.

American Express – Bill Reagan told the council that he has been working with American Express on promotions for the resort and likes their program because it provides for targeting the audience and American Express reports redemption back. He has shared an 8-page brochure that Idaho could do with Karen Ballard. Cost would be approximately \$100,000 (\$2 each for 50,000) with American Express doing all the mailing and selling. With a co-op, Reagan told the council, that the state could fund half the program, with co-op funding the other half.

Reagan said he also liked the fact that audiences could be targeted and results tracked. He feels this could be very effective in marketing to higher end markets and asked the council to consider asking Karen Ballard to pursue the project if any surplus funds become available.

**Motion** – It was moved (Reagan) and seconded (Gillette) that staff proceed with the American Express program if surplus funds become available. Motion passed.

Frances Conklin asked that council minutes be posted on the website after they have been approved, along with grant award contracts and a summary of grant awards.

#### Future Meeting Dates

March 17 & 18, 2008, Eastern Idaho

May 6, 2008, Pocatello (Governor's Conference on Recreation & Tourism)

July 24 & 25, 2008, Coeur d'Alene

Meeting adjourned.